



Irish Life Weekly Investment Bulletin

The week that was – WEEK 46 (ending 17/11/2017)

“Mountains cannot be surmounted except by winding paths.” – Johann Wolfgang von Goethe

Ireland's exports and trade surplus increase in September – The latest trade data from the Central Statistics Office shows seasonally adjusted goods exports increased by 1% in September and imports decreased by 3%. Exports to Great Britain increased by 10% in September compared to September 2016.

Eurozone growth in 2017 expected to be the best in 10 years – According to the second preliminary estimate released by Eurostat, GDP increased by 0.6% in Q3 from the previous quarter, which matched the forecast released on 31st October. The Eurozone economy is on track to grow at the fastest rate since 2007.

Global stock market down 0.3% on the week – The MSCI AC World TR Index showed a 0.31% fall from the 10th November to 17th November, as European, UK and Japanese equities ended the week lower. Volatility, as measured by the CBOE Volatility Index (VIX), finished the week at 11.43, up from 11.29 the previous week.

UK employment and retail sales fall – The UK Office for National Statistics reported that retail sales fell by 0.3% in October from October 2016, the first year-on-year fall since 2013. The first fall in employment also occurred since just after the Brexit vote with the number of employed decreasing by 14,000 in Q3.

Subdued U.S. inflation in October – The Labor Department reported that consumer prices edged up just 0.1% in October after rising 0.5% in September, the most in eight months. Rising costs in healthcare and housing were mostly offset by falling gasoline prices with food prices remaining unchanged last month.

Japanese economy expands for the seventh consecutive quarter – According to the Cabinet Office in their preliminary estimate, Gross Domestic Product increased 1.4% in annualised terms in the three months to September, with the economy expanding since the start of 2016, so the seventh consecutive growth quarter.

The Story of the week: According to German regional paper Augsburg Allgemeine, a man reported his car missing to the police in Frankfurt in 1997 but it was never found, now they know why. Twenty years later, the authorities in the city have tracked down the missing vehicle, only to discover that the man had in fact, just forgotten where he'd parked the car and thought it had been stolen. The man, now 76, was driven by the police with his daughter to be reunited with the car which was found in a garage in an old industrial building that is due to be demolished.

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Index Performances and Market Data*

Equity and Bond Markets % (in Local Currency)	2012	2013	2014	2015	2016	2017 YTD (to 17/11)
MSCI AC World (Gross TR)	16.5	26.2	9.9	1.8	9.7	17.2
ISEQ Overall Return	20.5	35.8	16.8	33.6	-2.7	7.2
FTSE 100 TR	10.0	18.7	0.7	-1.3	19.1	7.2
Euro Stoxx 50 TR	18.1	21.5	4.0	6.4	3.7	10.4
S&P 500 TR	16.0	32.4	13.7	1.4	12.0	17.3
Nasdaq Composite	15.9	38.3	13.4	5.7	7.5	26.0
Nikkei 225	22.9	56.7	7.1	9.1	0.4	17.2
MSCI Emerging Markets	13.9	0.9	2.6	-8.0	7.1	27.4
Eurozone Government Bonds 1–5 yr	5.9	2.1	3.4	1.0	0.9	0.2
Sovereign 10yr Bond Yields (%)	2012	2013	2014	2015	2016	2017 YTD
U.S.	1.7	3.0	2.2	2.2	2.4	2.3
German	1.4	1.9	0.5	0.6	0.2	0.4
UK	1.9	3.0	1.9	1.9	1.2	1.3
Japan	0.7	0.7	0.3	0.2	0.0	0.0
Ireland	4.5	3.4	1.3	1.1	0.7	0.6
Italy	4.6	4.1	2.1	1.6	1.8	1.8
Greece	12.7	8.2	9.6	7.9	7.1	5.2
Portugal	6.9	6.1	2.7	2.5	3.8	2.0
Spain	5.4	4.1	1.6	1.7	1.4	1.6
Central Bank Rates (%)	2012	2013	2014	2015	2016	2017 YTD
ECB	0.75	0.25	0.05	0.05	0.0	0.0
Bank of England	0.5	0.25	0.50	0.50	0.25	0.50
U.S. Federal Reserve	0.25	0.25	0.25	0.50	0.75	1.25
Foreign Exchange Rates	2012	2013	2014	2015	2016	2017 YTD
Euro/Dollar (€/\$)	1.31	1.37	1.21	1.09	1.04	1.17
Euro/Sterling (€/£)	0.81	0.83	0.78	0.75	0.84	0.89
Sterling/Dollar (£/\$)	1.61	1.65	1.56	1.46	1.24	1.32
IPD All Property Return % (in Local Currency)	2012	2013	2014	2015	2016	2017
Ireland	3.1	12.7	40.1	25.0	12.8	6.9% (to end of Q3)
U.K.	2.7	10.7	17.8	13.1	3.6	7.1% (to end of Q3)
U.S.	5.3	11.4	11.2	12.1	7.8	3.3% (to end of Q2)

*Past performance is not a reliable guide to future performance